

CONTRACT #7
RFS # 318.66-029

**Department of Finance &
Administration/Bureau
of TennCare**

VENDOR:
**John Deere (formerly
Heritage National Health
Plan of TN)**

REQUEST: NON-COMPETITIVE AMENDMENT

APPROVED

Commissioner of Finance & Administration

Date:

Each of the request items below indicates specific information that must be individually detailed or addressed as required. A REQUEST CAN NOT BE CONSIDERED IF INFORMATION PROVIDED IS INCOMPLETE, NON-RESPONSIVE, OR DOES NOT CLEARLY ADDRESS EACH OF THE REQUIREMENTS INDIVIDUALLY AS REQUIRED.

RFS #

318.66-029

STATE AGENCY NAME :

Departament of Finance and Administration, Bureau of TennCare

SERVICE CAPTION :

Managed Care Organization Services/Medically Necessary Health Care Services to the TennCare/Medicaid Population

CONTRACT #

FA-02-14860-00

PROPOSED AMENDMENT #

7

CONTRACTOR :

John Deere (formerly Heritage National Health Plan of TN)

CONTRACT START DATE :

July 1, 2001

CURRENT, LATEST POSSIBLE END DATE :
(including ALL options to extend)

12/31/2006

CURRENT MAXIMUM LIABILITY :

\$829,121,057.57

LATEST POSSIBLE END DATE WITH PROPOSED AMENDMENT :
(including ALL options to extend)

12/31/2006

TOTAL MAXIMUM COST WITH PROPOSED AMENDMENT :
(including ALL options to extend)

\$829,121,057.57

APPROVAL CRITERIA :
(select one)



use of Non-Competitive Negotiation is in the best interest of the state



only one uniquely qualified service provider able to provide the service

ADDITIONAL REQUIRED REQUEST DETAILS BELOW (address each item immediately following the requirement text)

(1) description of the proposed additional service and amendment effects :

Implements the TennCare Reform language as approved by CMS and the courts; Requires NCQA accreditation; strengthens conflict of interest disclosure requirements; strengthens MCO financial requirements; lowers the administrative fee to mirror TennCare Select; as well as various other housekeeping issues involving language clarifications.

(2) explanation of need for the proposed amendment :

Due to TennCare changes recently approved by CMS and courts, it is necessary to amend the MCO contracts to conform to changes as well as providing needed amended financial requirements and language clarifications.

(3) name and address of the proposed contractor's principal owner(s) :
(not required if proposed contractor is a state education institution)

408 North Cedar Bluff Road, Suite 400, Knoxville, TN 37923

(4) documentation of OIR endorsement of the Non-Competitive procurement request :
(required only if the subject service involves information technology)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(5) documentation of Department of Personnel endorsement of the Non-Competitive procurement request :
(required only if the subject service involves training for state employees)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(6) description of procuring agency efforts to identify reasonable, competitive, procurement alternatives rather than to use non-competitive negotiation :

This Contractor is currently providing a network of services for the TennCare Program. This is an amendment to current contract.

(7) justification of why the F&A Commissioner should approve a Non-Competitive Amendment :

The Bureau of TennCare is attempting to modify all of the MCO contracts to conform to recent changes in the Program. This amendment will allow continuation of services to the enrollees and further clarify their responsibilities, as well as modify financial administration requirements. TennCare would greatly appreciate the approval of this amendment by the Department of Finance and Administration.

AGENCY HEAD REQUEST SIGNATURE:

(must be signed by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR — signature by an authorized signatory will be accepted only in documented exigent circumstances)

SIGNATURE DATE:

6-15-05

CONTRACT SUMMARY SHEET

RFS Number:	318.66-029			Contract Number:	FA-02-14860-07		
State Agency:	Department of Finance and Administration			Division:	Bureau of TennCare		
Contractor:				Contract Identification Number:			
JOHN DEERE (formerly Heritage National Health Plan of TN)				<input type="checkbox"/> V- <input type="checkbox"/> C-			
Service Description							
Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population							
Contract Begin Date				Contract End Date			
7/1/2001				12/31/2006			
Allotment Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code	
318.66	414	134	11	<input type="checkbox"/> STARS			
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)		
2002	\$ 46,137,900.00	\$ 80,885,019.00			\$ 127,022,919.00		
2003	\$ 50,389,400.00	\$ 86,660,300.00			\$ 137,049,700.00		
2004	\$ 49,908,299.02	\$ 90,540,889.55			\$ 140,449,188.57		
2005	\$ 62,904,600.00	\$ 106,935,100.00			\$ 169,839,700.00		
2006	\$ 62,904,600.00	\$ 106,935,100.00			\$ 169,839,700.00		
2007	\$ 29,970,350.00	\$ 54,949,500.00			\$ 84,919,850.00		
Total:	\$ 302,215,149.02	\$ 526,905,908.55			\$ 829,121,057.57		
CFDA#	93.778 Title XIX Dept. of Health and Human Services			Check the box ONLY if the answer is YES			
State Fiscal Contract				Is the Contractor a SUBRECIPIENT? (per OMB A-133)			
Name: Scott Pierce				Is the Contractor a Vendor? (per OMB A-133)			
Address: 729 Church Street				Is the Fiscal Year Funding STRICTLY LIMITED?			
Phone: Nashville, TN (615)532-1362				Is the Contractor on STARS?			
Procuring Agency Budget Officer Approval Signature				Is the Contractor's FORM W-9 ATTACHED?			
Scott Pierce				Is the Contractor's Form W-9 Filed with Accounts?			
COMPLETE FOR ALL AMENDMENTS (only)				Funding Certification			
Base Contract & Prior Amendments		This Amendment ONLY		Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.			
END DATE:	12/31/2006						
FY: 02	\$127,022,919.00						
FY: 03	\$137,049,700.00						
FY: 04	\$140,449,188.57						
FY: 05	\$169,839,700.00						
FY: 06	\$169,839,700.00						
FY: 07	\$84,919,850.00						
Total:	\$829,121,057.57		\$0.00				

CONTRACT SUMMARY SHEET

318.66-029

FA-02-14860-08

Department of Finance and Administration

Bureau of TennCare

JOHN DEERE (formerly Heritage National Health Plan of TN).

☐ V-
☐ C-

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

7/1/2001

12/31/2006

318.66	414	134	11	<input type="checkbox"/> STARS	
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)
2002	\$ 48,137,900.00	\$ 80,885,019.00			\$ 127,022,919.00
2003	\$ 50,389,400.00	\$ 86,660,300.00			\$ 137,049,700.00
2004	\$ 49,908,299.02	\$ 90,540,889.55			\$ 140,449,188.57
2005	\$ 62,904,600.00	\$ 106,935,100.00			\$ 169,839,700.00
2006	\$ 62,904,600.00	\$ 106,935,100.00			\$ 169,839,700.00
2007	\$ 29,970,350.00	\$ 54,949,500.00			\$ 84,919,850.00
	\$ 302,216,149.02	\$ 526,905,908.55			\$ 829,121,057.57
	93.778				

Name: Scott Pierce
Address: 729 Church Street
Phone: Nashville, TN
(615)532-1362

Scott Pierce



	12/31/2005	12/31/2006
FY: 02	\$127,022,919.00	
FY: 03	\$137,049,700.00	
FY: 04	\$140,449,188.57	
FY: 05	\$140,449,188.57	\$29,390,511.43
FY: 06	\$70,224,594.28	\$99,615,105.72
FY: 07		\$84,919,850.00
	\$615,195,590.42	\$213,925,467.15


Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

CONTRACT SUMMARY SHEET

RFS Number: 318.66-029		Contract Number: FA-02-14860-05	
State Agency: Department of Finance and Administration		Division: Bureau of TennCare	
Contractor: JOHN DEERE (formerly Heritage National Health Plan of TN)		Contract Identification Number:	
		<input type="checkbox"/> V- <input type="checkbox"/> C-	
Service Description: Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population ✓			
Contract Begin Date: 7/1/2001		Contract End Date: 12/31/2005	
Allotment Code: 318.66	Cost Center: 414	Object Code: 134	Fund: 11
		<input type="checkbox"/> STARS	
FY	State Funds	Federal Funds	Interdepartmental Funds
2002	\$ 46,137,900.00	\$ 80,885,019.00	
2003	\$ 50,389,400.00	\$ 86,660,300.00	
2004	\$ 49,908,299.02	\$ 90,540,889.55	
2005	\$ 49,908,299.02	\$ 90,540,889.55	
2006	\$ 24,954,149.51	\$ 45,270,444.77	
Total:	\$ 221,298,047.55	\$ 393,897,542.87	
GPDW: 93.778		Check the box ONLY if the answer is YES:	
State Fiscal Contract:		Is the Contractor a SUBRECIPIENT? (per OMB A-133)	
Name: Dean Daniel		Is the Contractor a Vendor? (per OMB A-133)	
Address: 729 Church Street		Is the Fiscal Year Funding STRICTLY LIMITED?	
Phone: Nashville, TN (615) 532-1362		Is the Contractor on STARS?	
Procuring Agency Budget Officer Approval Signature:		Is the Contractor's FORM W-9 ATTACHED?	
Dean Daniel <i>Dean Daniel 6/22/04</i>		Is the Contractor's Form W-9 Filed with Accounts?	
COMPLETE FOR ALL AMENDMENTS (only)		Funding Certification	
Base Contract & Prior Amendments	12/31/2005	Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.	
END DATE:			
FY: 02			
FY: 03			
FY: 04			
FY: 05			
FY: 06			
Total:	\$0.00	\$0.00	

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 OFFICE OF
 MANAGEMENT SERVICES

CONTRACT SUMMARY SHEET

RFS Number:	318.66-029	Contract Number:	FA-02-14860-04
State Agency:	Department of Finance and Administration	Division:	Bureau of TennCare
Contractor:		Contract Identification Number:	
JOHN DEERE (formerly Heritage National Health Plan of TN)		<input type="checkbox"/> V- <input type="checkbox"/> C-	
Service Description:			
Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population			
Contract Begin Date:		Contract End Date:	
7/1/2001		12/31/2005	
Allotment Code:	Cost Center:	Object Code:	Fund:
318.66	414	134	11
		<input type="checkbox"/> STARS	
FY	State Funds	Federal Funds	Interdepartmental Funds
2002	\$ 46,137,900.00	\$ 80,885,019.00	
2003	\$ 50,389,400.00	\$ 86,660,300.00	
2004	\$ 49,908,299.02	\$ 90,540,889.55	
2005	\$ 49,908,299.02	\$ 90,540,889.55	
2006	\$ 24,954,149.51	\$ 45,270,444.77	
Total:	\$ 221,298,047.55	\$ 393,897,542.87	
CRDA#	93.778	Check the box ONLY if the answer is YES	
State Fiscal Contract:		Is the Contractor a SUBRECIPIENT? (per OMB A-133)	
Name: Dean Daniel		Is the Contractor a Vendor? (per OMB A-133)	
Address: 729 Church Street		Is the Fiscal Year Funding STRICTLY LIMITED?	
Phone: Nashville, TN		Is the Contractor on STARS?	
(615)532-1362		Is the Contractor's FORM W-9 ATTACHED?	
Procuring Agency Budget Officer Approval Signature:		Is the Contractor's Form W-9 Filed with Accounts?	
Dean Daniel		Funding Certification	
		Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.	
COMPLETE FOR ALL AMENDMENTS (only)			
Base Contract & Prior Amendments	This Amendment ONLY		
END DATE	12/31/2005		
FY: 02	\$127,022,919.00		
FY: 03	\$137,049,700.00		
FY: 04	\$140,449,188.57		
FY: 05	\$140,449,188.57		
FY: 06	\$70,224,594.28		
Total:	\$615,195,590.42	\$0.00	

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Office of Contracts Review

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CONTRACT SUMMARY SHEET

Contract Number	318-66-029	Contract Number	FA-02-14860-03
Procuring Agency	Department of Finance and Administration	Division	Bureau of TennCare
Contractor		Contract Identification Number	

OHN DEERE (formerly Heritage National Health Plan of TN)

☐ V-
☐ C-

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	7/1/2001	Contract End Date	12/31/2005
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Amendment Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
318.66	414	134	11	<input type="checkbox"/> STARS		
			Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
FY	State Funds	Federal Funds			\$	
2002	\$ 46,137,900.00	\$ 80,885,019.00			\$	127,022,919.00
2003	\$ 50,389,400.00	\$ 86,660,300.00			\$	137,049,700.00
2004	\$ 49,908,299.02	\$ 90,540,889.55			\$	140,449,188.57
2005	\$ 49,908,299.02	\$ 90,540,889.55			\$	140,449,188.57
2006	\$ 24,954,149.51	\$ 45,270,444.77			\$	70,224,594.28
Total	\$ 221,298,047.55	\$ 393,897,542.87			\$	615,195,590.42

CFDA#	93.778	State fiscal contract	
Name:	Dean Daniel	Address:	729 Church Street
Phone:	(615)532-1362		

Procuring Agency Budget Officer Approval Signature: Dean Daniel 6/30/03

COMPLETE FOR ALL AMENDMENTS ONLY		
END DATE	Base Contract Obligation	This Amendment Obligation
	12/31/2005	
FY: 02	\$127,022,919.00	\$0.00
FY: 03	\$137,049,700.00	\$0.00
FY: 04	\$137,049,700.00	\$3,399,488.57
FY: 05	\$137,049,700.00	\$3,399,488.57
FY: 06	\$68,524,850.00	\$1,699,744.28
Total	\$606,696,869.00	\$8,498,721.42

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

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OFFICE OF
MANAGEMENT SERVICES

CONTRACT SUMMARY SHEET

RFS Number:		Contract Number:		FA-02-14860-02	
State/Agency:		Division:		Bureau of TennCare	
Contractor:		Contract Identification Number:			
JOHN DEERE (formerly Heritage National Health Plan of TN)		<input type="checkbox"/> V- <input type="checkbox"/> C-			
Service Description					
Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population					
Contract Begin Date:			Contract End Date:		
7/1/01			12/31/05		
Allocation Code:	Cost Center:	Object Code:	Fund:	Grant:	Grant Code:
318.66	414	134	11	<input type="checkbox"/> STARS	
					Subgrant Code:
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)
2002	\$ 46,137,900.00	\$ 80,885,019.00			\$ 127,022,919.00
2003	\$ 50,389,400.00	\$ 86,660,300.00			\$ 137,049,700.00
2004	\$ 50,389,400.00	\$ 86,660,300.00			\$ 137,049,700.00
2005	\$ 50,389,400.00	\$ 86,660,300.00			\$ 137,049,700.00
2006	\$ 25,194,700.00	\$ 43,330,150.00			\$ 68,524,850.00
Total:	\$222,500,800.00	\$ 384,196,069.00			\$ 606,696,869.00
CFDA#	93.778				
State Fiscal Contract			Check the box ONLY if the answer is YES:		
Name: Dean Daniel			Is the Contractor a SUBRECIPIENT? (per OMB A-133)		
Address: 729 Church Street			Is the Contractor a Vendor? (per OMB A-133)		
Phone: Nashville, TN			Is the Fiscal Year Funding STRICTLY LIMITED?		
(615)532-1362			Is the Contractor on STARS?		
Procuring Agency Budget Officer Approval Signature			Is the Contractor's FORM W-9 ATTACHED?		
Dean Daniel			Is the Contractor's Form W-9 Filed with Accounts?		
7/1/02			Funding Certification		
COMPLETE FOR ALL AMENDMENTS (only)			Pursuant to T.C.A., Section 9-6-113, I, C. Warren Neel, Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.		
	Base Contract & Prior Amendments	This Amendment ONLY			
END DATE:					
FY: 02					
FY: 03					
FY: 04					
FY: 05					
FY: 06					
Total:	\$0.00	\$0.00			

CONTRACT SUMMARY SHEET

RES Number:		Contract Number:	FA-02-14860-01
State Agency:	Department of Finance and Administration	Division:	Bureau of TennCare
Contractor:		Contract Identification Number:	
JOHN DEERE (formerly Heritage National Health Plan of TN)		<input type="checkbox"/> V- <input type="checkbox"/> C-	

Service Description
Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date:	Contract End Date:
7/1/01	12/31/05

Allocation Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
318.66	414	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 46,137,900.00	\$ 80,885,019.00			\$	127,022,919.00
2003	\$ 50,389,400.00	\$ 86,660,300.00			\$	137,049,700.00
2004	\$ 50,389,400.00	\$ 86,660,300.00			\$	137,049,700.00
2005	\$ 50,389,400.00	\$ 86,660,300.00			\$	137,049,700.00
2006	\$ 25,194,700.00	\$ 43,330,150.00			\$	68,524,850.00
Total	\$ 222,500,800.00	\$ 384,195,069.00			\$	606,696,869.00

CFDA#	93.778	Check the box ONLY if the answer is YES
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State Fiscal Contract:	Is the Contractor a SUBRECIPIENT? (per OMB A-133)
Name: Dean Daniel	Is the Contractor a Vendor? (per OMB A-133)
Address: 729 Church Street	Is the Fiscal Year Funding STRICTLY LIMITED?
Phone: Nashville, TN	
(615)532-1362	

Procuring Agency Budget Officer Approval Signature:	Is the Contractor on STARS?
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Dean Daniel	Is the Contractor's FORM W-9 ATTACHED?
<i>Dean Daniel</i> 7/1/02	Is the Contractor's Form W-9 Filed with Accounts?

COMPLETE FOR ALL AMENDMENTS (only)			Funding Certification
	Base Contract & Prior Amendments	This Amendment ONLY	Pursuant to T.C.A., Section 9-6-113, I, C. Warren Neel, Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.
END DATE:	12/31/05		
FY: 02	\$127,022,919.00	\$0.00	
FY: 03	\$127,022,919.00	\$10,026,781.00	
FY: 04	\$127,022,919.00	\$10,026,781.00	
FY: 05	\$127,022,919.00	\$10,026,781.00	
FY: 06	\$63,511,459.50	\$5,013,390.50	
Total	\$571,603,135.50	\$35,093,733.50	